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**DIRECTEL HOLDINGS LIMITED**

**直通電訊控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8337)**

**ISSUE AND ALLOTMENT OF WARRANT SHARES  
UNDER SPECIFIC MANDATE**

**AND**

**REVISED TIMETABLE IN RELATION TO  
THE PROPOSED BONUS ISSUE OF SHARES**

On 29 May 2014, the Board issued 200,000,000 Warrants conferring the rights to the Subscriber to subscribe up to an aggregate of HK\$32,960,000 for the Warrant Shares issued by the Company to the Subscriber. The Warrant Shares represent approximately 19.28% of the existing issued share capital of the Company and approximately 16.16% of the issued share capital as enlarged by the allotment and issue of the Warrant Shares.

On 1 April 2015, the Board proposed the Bonus Issue on the basis of two Bonus Shares for every one existing Share held by the Qualifying Shareholders (other than Excepted Shareholders) whose names appear on the register of members of the Company on the Record Date.

As confirmed by China Galaxy International Securities (Hong Kong) Co., Limited, an approved merchant bank, assuming there is no other change to the share capital of the Company and the holders of the Warrants did not participate in the Bonus Issue, the Directors estimate that the Subscription Price for the Warrant Shares will be adjusted from HK\$0.1648 per Warrant Share to HK\$0.0549 per Warrant Share and consequently the number of Warrant Shares will be adjusted from 200,000,000 to 600,000,000, representing approximately 57.38% of the existing issued share capital of the Company and approximately 16.16% of the issued share capital as enlarged by the issue and allotment of the Warrant Shares and Bonus Issue.

Since the expected increase in the number of Warrant Shares from 200,000,000 to 600,000,000 would exceed the General Mandate, the Warrant Shares will be issued and allotted under the Specific Mandate to be sought at the EGM.

The Company will apply to the Listing Committee of the Stock Exchange for approval of the listing of, and permission to deal in, the Warrant Shares which may fall to be issued and allotted upon exercise of the Subscription Rights attaching to the Warrants. No Warrants are listed on the Stock Exchange and no listing of Warrant Shares will be sought on any other stock exchanges.

Reference is made to the announcements of the Company dated 30 April 2014 and 29 May 2014 for the issue and allotment of the Warrants and the Warrant Shares under the General Mandate and the announcement of the Company dated 1 April 2015 and 21 April 2015, among other things, on the proposed Bonus Issue.

On 29 May 2014, the Board issued 200,000,000 Warrants conferring the rights to the Subscriber to subscribe up to an aggregate of HK\$32,960,000 for the Warrant Shares issued by the Company to the Subscriber. The Warrant Shares represent approximately 19.28% of the existing issued share capital of the Company and approximately 16.16% of the issued share capital as enlarged by the issue and allotment of the Warrant Shares.

On 1 April 2015, the Board proposed the Bonus Issue on the basis of two Bonus Shares for every one existing Share held by the Qualifying Shareholders (other than Excepted Shareholders) whose names appear on the register of members of the Company on the Record Date.

## **ISSUE AND ALLOTMENT OF WARRANT SHARES UNDER SPECIFIC MANDATE**

As confirmed by China Galaxy International Securities (Hong Kong) Co., Limited, an approved merchant bank, assuming there is no other change to the share capital of the Company and the holders of the Warrants did not participate in the Bonus Issue, the Directors estimate that the Subscription Price for the Warrant Shares will be adjusted from HK\$0.1648 per Warrant Share to HK\$0.0549 per Warrant Share and consequently the number of Warrant Shares will be adjusted from 200,000,000 to 600,000,000, representing approximately 57.38% of the existing issued share capital of the Company and approximately 16.16% of the issued share capital as enlarged by the issue and allotment of the Warrant Shares and Bonus Issue. For details of the adjustments, please refer to the section headed “Adjustment to Subscription Price and number of Warrant Shares”.

Since the expected increase in the number of Warrant Shares from 200,000,000 to 600,000,000 would exceed the General Mandate, the Warrant Shares will be issued and allotted under the Specific Mandate to be sought at the EGM.

### **Conditions of the issue and allotment of the Warrant Shares**

The completion of the issue and allotment of the Warrant Shares is conditional upon:

- (i) the completion of the Bonus Issue;
- (ii) the approval of the issue and allotment of Warrant Shares by the Shareholders at the EGM; and
- (iii) the Listing Committee shall have granted (either unconditionally or subject to conditions to which neither the Company nor the Subscriber shall object without reasonable grounds) the listing of, and permission to deal in, the Warrant Shares which fall to be allotted and issued upon the exercise of the Subscription Rights attached to the Warrants.

The proposed Bonus Issue and the specific mandate to issue and allot the Warrant Shares are inter-conditional. In the event that the proposed Bonus Issue is not implemented, the specific mandate to issue and allot the Warrant Shares will not proceed, and vice versa. The proposed Bonus Issue and the specific mandate to issue and allot the Warrant Shares are made inter-conditional, since the Company will not be able to issue and allot the full number of Warrant Shares to the holder of the Warrants as a result of the adjustment to the Subscription Price if the Bonus Issue was completed and such specific mandate was not granted and the relative interests of the holder(s) of the Warrants in the Company will not be fairly and appropriately reflected.

### **Principal terms of the Warrants**

Number of Warrants: 200,000,000 Warrants, issued by the Company at HK\$0.01, conferring the rights to the Subscriber to subscribe up to 200,000,000 Warrant Shares (subject to adjustment).

Based on the initial subscription price of HK\$0.1648 per Warrant Share and assuming that there will not be any change in the issued share capital of the Company before the exercise of the Subscription Rights in full (other than the issue of the Warrant Shares), upon the exercise of the Subscription Rights in full, 200,000,000 Warrant Shares will be issued, representing approximately 19.28% of the existing issued share capital of the Company and approximately 16.16% of the issued share capital as enlarged by the allotment and issue of the Warrant Shares.

As confirmed by China Galaxy International Securities (Hong Kong) Co., Limited, an approved merchant bank, assuming there is no other change to the share capital of the Company and the holders of the Warrants did not participate in the Bonus Issue, the Directors estimate that the Subscription Price for the Warrant Shares will be adjusted from HK\$0.1648 per Warrant Share to HK\$0.0549 per Warrant Share and consequently the number of Warrant Shares will be adjusted from 200,000,000 to 600,000,000, representing approximately 57.83% of the existing issued capital of the Company and approximately 16.16% of the issued share capital as enlarged by the issue and allotment of the Warrant Shares and the Bonus Issue.

- Status: The Warrants were constituted by way of deed poll executed by the Company. The Warrants rank *pari passu* in all respects among themselves.
- Form: The Warrants were issued upon completion in registered form. Definitive certificates were issued to the Subscriber.
- Issue Price: HK\$0.01 per Warrant payable in cash.

|                               |  |
|-------------------------------|--|
| Subscription Price:           | Each Warrant carries the right to subscribe for one Share at an initial Subscription Price of HK\$0.1648 per Warrant Share, subject to adjustment provisions of the Instrument as referred to under the paragraphs set out under the section headed “Provisions relating to the adjustment of Subscription Price of the Warrant Shares”.   |
| Subscription Period:          | The Subscription Rights attaching to the Warrants may be exercised at any time from its date of issue, being 29 May 2014 until 4:00 p.m. (Hong Kong time) 60 months of its issue date (i.e. 28 May 2019) (or, if that is not a Business Day, the first Business Day immediately such date) (both dates inclusive), subject to earlier termination as provided in the Instrument. |
| Rights of the Warrant Shares: | The Warrant Shares that fall to be issued upon the exercise of the Subscription Rights attaching to the Warrants will rank pari passu in all respects with the Shares in issue on the relevant date of registration of the name of the relevant holder(s) of the Warrants on the register of members of the Company as holder of such Warrant Shares.                            |
| Transferability:              | The Warrants are transferable, in integral multiples of 1,000,000 Warrants or, subject to the agreement by the Company, in such other denomination, and any transfer of the Warrants to any connected person of the Company shall be subject to the requirements that the Stock Exchange may impose from time to time.   |
| Rights of Warrants:           | The holders of the Warrants will not have any right to attend or vote at any meeting of the Company by virtue of them being the holders of the Warrants. The holders of the Warrants should not have the right to participate in any distributions and/or offers of further securities made by the Company.  |

Limitations on exercise of the Subscription Rights attaching to the Warrants:

The Subscription Rights attaching to the Warrants shall only be exercisable so long as:

- (a) the aggregate shareholdings of the holders of the Warrants, its associates and parties acting in concert with it immediately after such exercise will not be or exceed 20 per cent (20%) of the then issued share capital of the Company;
- (b) the exercise of the Subscription Rights will not result in the holders of the Warrants by itself or taken together with its associates and/or parties acting in concert with it becoming the controlling shareholder (as defined in the Hong Kong Codes on Takeovers and Mergers and Share Repurchases issued by the Securities and Futures Commission of Hong Kong (“Takeovers Code”) of the Company or will, directly or indirectly, control or be interested in 30% or more of the voting rights of the Company which the holders of the Warrants would be obliged to make a general offer under the Takeovers Code in force from time to time; and
- (c) the exercise of the Subscription Rights under the Warrants would not result in the holders of the Warrants and other then substantial shareholder(s) of the Company (if any), being presumed to be parties acting in concert with each other under the Takeovers Code by virtue of their then respective shareholding in the Company.

Rights of holders of  
Warrants on  
liquidation:

If a notice is given by the Company to the Shareholders to convene a Shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to wind-up the Company voluntarily, every holder of Warrants shall be entitled at any time within six weeks after passing of such resolution by irrevocable surrender of his warrant certificate(s) to the Registrar with the subscription form(s) duly completed, together with payment of the Subscription Price to elect to be treated as if he had immediately prior to the commencement of such winding up exercised such of the Subscription Rights represented by his Warrant(s) as are specified in the subscription form(s) submitted by him and had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise and the Company and the liquidator of the Company shall give effect to such election accordingly. The Company shall give notice to the holders of the Warrants of the passing of such resolution within seven days after the passing thereof.

If an effective resolution is passed during the exercise period for the voluntary winding up of the Company for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the holders of the Warrants, or some persons designated by them for such purpose by special resolution, shall be a party or in conjunction with which a proposal is made to the holders of the Warrants and is approved by special resolution, the terms of such scheme of arrangement or (as the case may be) proposal shall be binding on all the holders of the Warrants.

If the Company is wound up, all Subscription Rights which have not been exercised at the date of the passing of such resolution shall lapse and each Warrant certificate shall cease to be valid for any purpose.

## **Provisions relating to the adjustment of Subscription Price of the Warrant Shares**

The Instrument contains detailed provisions relating to the adjustment of the Subscription Price. The following is a summary of, and is subject to, the adjustment provisions of the Instrument:

- (A) The Subscription Price shall (except as mentioned in sub-paragraphs (B) and (C) below) be adjusted as provided in the Instrument in each of the following cases:
- (i) an alteration of the nominal amount of the Shares by reason of any consolidation or subdivision;
  - (ii) an issue (other than pursuant to a scrip dividend scheme in lieu of a cash dividend) by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund);
  - (iii) capital distribution being made by the Company, including but not limited to a reduction or redemption of share capital, share premium account or capital reserve fund or otherwise, to holders of the Shares (in their capacity as such);
  - (iv) a grant by the Company to the holders of Shares (in their capacity as such) of rights to acquire cash assets of the Company or any of its subsidiaries;
  - (v) an offer or grant being made by the Company to holders of its Shares by way of rights or of options or warrants to subscribe for new Shares at a price which is less than 90% of the market price (calculated as provided in the Instrument);
  - (vi) an issue wholly for cash being made by the Company or any Subsidiary (as defined in the Instrument) of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if in any case the total Effective Consideration (as defined below) per Share is less than 90% of the market price (calculated as provided in the Instrument), or the terms of any such issue being altered so that the said total Effective Consideration is less than 90% of the market price;

“**Total Effective Consideration**” shall mean the consideration receivable by the issuer for issue of securities which by their terms are convertible into or exchangeable for or carry rights of subscription for new Shares plus the additional minimum consideration (if any) to be received by the issuer and/or the Company (if not the issuer) upon (and



assuming) the conversion or exchange thereof or the exercise of such subscription rights and the Effective Consideration per Share initially receivable for such securities shall be such aggregate consideration divided by the maximum number of Shares to be issued upon (and assuming) such full conversion or exchange at the initial conversion or exchange rate or the exercise in full of such subscription rights at the initial subscription price, in each case without any deduction for any commissions, discounts or expenses paid, allowed or incurred in connection with the issue;

- (vii) an issue being made wholly for cash of Shares at a price less than 90% of the market price (calculated as provided in the Instrument); and
- (viii) a cancellation of any Shares repurchased by the Company (other than on the Hong Kong Stock Exchange or any other stock exchange recognised for such purpose) in circumstances where the Directors consider that it would be fair and appropriate to make an adjustment to the Subscription Price to reflect the relative interests of the persons affected by such purchase of shares by the Company.

(B) Except as mentioned in paragraph (C) below, no such adjustment as is referred to in paragraph (A) above shall be made in respect of:

- (i) an issue of fully paid Shares upon the exercise of any conversion rights attached to securities convertible into Shares or upon the exercise of any rights (including the Subscription Rights) to acquire Shares;
- (ii) an issue by the Company of Shares or by the Company or any subsidiary of securities convertible into or rights to acquire Shares, in any such case in consideration or part consideration for the acquisition of any other securities, assets or business;
- (iii) an issue of Shares pursuant to a scrip dividend scheme in lieu of a cash dividend where an amount not less than the nominal amount of the Shares so issued is capitalised and the market value (calculated as provided in the Instrument) of such Shares is not more than 110% of the amount of dividend which holders of Shares could elect to or would otherwise receive in cash; and
- (iv) the issue of Shares by the Company or the issue of securities wholly or partly convertible into or exchangeable for or carrying rights of subscription for Shares pursuant to a share option scheme.

- (C) Notwithstanding the provisions referred to in paragraphs (A) and (B) above, in any circumstance where the Directors shall consider that an adjustment to the Subscription Price provided for under the said provisions should not be made or should be calculated on a different basis or that an adjustment to the Subscription Price should be made notwithstanding that no such adjustment is required, or that an adjustment should take effect on a different date or from a different time from that provided for under the said provisions, the Company may appoint an approved merchant bank or the auditors of the Company to consider whether for any reason whatever the adjustment to be made (or the absence of adjustment) would not or might not fairly and appropriately reflect the relative interests of the persons affected thereby and, if such approved merchant bank or the auditors of the Company shall consider this to be the case, the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner (including, without limitation, making an adjustment calculated on a different basis and/or the adjustment shall take effect from such other date and/or time) as shall be certified by such approved merchant bank or the auditors of the Company to be in its opinion appropriate.
- (D) Every adjustment to the Subscription Price will be certified by the auditors of the Company or an approved merchant bank and notice of each adjustment (giving the relevant particulars) will be given to the Warrantholders. Any such certificate(s) of the auditors and/or approved merchant bank will be available at the head office and the principal place of business for the time being of the Company in Hong Kong, where copies may be obtained.

## **Adjustment to Subscription Price and number of Warrant Shares**

As at the date of this announcement, there are 200,000,000 Warrants outstanding. As agreed between the Company and the Subscriber on 21 April 2015, the Subscription Price shall be adjusted pursuant to paragraph (C) under the section headed “Provisions relating to the adjustment of the Subscription Price of the Warrant Shares”, on the basis that (i) the proposed Bonus Issue and the specific mandate to issue and allot the Warrant Shares are approved by the Shareholders at the upcoming EGM or any adjournment thereof; and (ii) there are no further changes in the share capital of the Company before the Bonus Issue. As a result of the Bonus Issue, the Subscription Price for the Warrant Shares and the number of Warrant Shares will be adjusted from HK\$0.1648 to HK\$0.0549 and 200,000,000 to 600,000,000 Shares respectively.

The adjustment provision and mechanism under paragraph (A)(ii) under the section headed “Provisions relating to the adjustment of Subscription Price of the Warrant Shares” is applicable to the proposed Bonus Issue. Pursuant to the adjustment provision under such paragraph (A)(ii) and applying the relevant rounding mechanisms, the adjusted Subscription Price will be rounded to the nearest cent. In accordance with the calculations based on the above adjustment, the Directors estimate that the adjusted Subscription Price will be HK\$0.05 per Warrant Share and the total number of Warrant Shares to be issued will be approximately 659,200,000 which will represent approximately 17.48% of the issued share capital as enlarged by the issue and allotment of the Warrant Shares and the Bonus Issue.

Assuming there is no other change to the issued share capital of the Company and before the Bonus Issue, the number of Warrant Shares of 200,000,000 represent approximately 16.16% of the issued share capital as enlarged by the issue and allotment of the Warrant Shares. Therefore, the Directors are of the opinion that the application of the above adjustment mechanism pursuant to paragraph (A)(ii) under the section headed “Provisions relating to the adjustment of Subscription Price of the Warrant Shares” will have a dilutive effect on the shareholding of the existing Shareholders and the adjustment should be calculated on a different basis pursuant to paragraph (C) under the same section.

In order to achieve a result which will be fair and appropriately reflect the relative interests of the Shareholders and holder(s) of the Warrants, the Directors have relied on the adjustment provision under paragraph (C) and will apply the same formula for paragraph A(ii) but the adjusted Subscription Price will be rounded to the nearest four decimal places instead of the nearest cent. Based on the foregoing, the Directors

estimate that the adjusted Subscription Price will be HK\$0.0549 per Warrant Share and the total number of Warrant Shares to be issued will be approximately 600,000,000 which will represent approximately 16.16% of the issued share capital as enlarged by the issue and allotment of the Warrant Shares and the Bonus Issue.

The shareholding structure of the Company assuming there will not be any change in the issued share capital of the Company and (i) as at the date of this announcement; (ii) full exercise of the Subscriptions Rights attaching to the Warrants and before the Bonus Issue; and (iii) immediately after the Bonus Issue and issue and allotment of Warrant Shares based on the above adjustment to the Subscription Price are as follows:

| Shareholders                                    | As at the date of this announcement |               | Assuming full exercise of the Subscription Rights attaching to the Warrants and before the Bonus Issue <sup>(Note 3)</sup> |               | Immediately after the Bonus Issue and issue and allotment of Warrant Shares based on the above adjustment to the Subscription Price <sup>(Note 3)</sup> |               |
|---|-------------------------------------|---------------|--|---------------|---|---------------|
|   | Number of Shares                    | Approximate % | Number of Shares   | Approximate % | Number of Shares  | Approximate % |
|   |                                     |               |  |               |   |               |
| New Everich Holdings Limited<br><i>(Note 1)</i> | 696,250,000                         | 67.11%        | 696,250,000  | 56.26%        | 2,088,750,000   | 56.26%        |
| Li Kin Shing <i>(Note 2)</i>                    | 33,750,000                          | 3.25%         | 33,750,000   | 2.73%         | 101,250,000   | 2.73%         |
| Pang Kwok Chau                                  | 10,000,000                          | 0.96%         | 10,000,000   | 0.81%         | 30,000,000  | 0.81%         |
| Wong Kin Wa                                     | 10,000,000                          | 0.96%         | 10,000,000   | 0.81%         | 30,000,000  | 0.81%         |
| <b>Public</b>                                   |                                     |               |  |               |   |               |
| Subscriber                                      | —                                   | —             | 200,000,000  | 16.16%        | 600,000,000   | 16.16%        |
| Other Public Shareholders                       | <u>287,500,000</u>                  | <u>27.72%</u> | <u>287,500,000</u>   | <u>23.23%</u> | <u>862,500,000</u>  | <u>23.23%</u> |
| Total   | <u>1,037,500,000</u>                | <u>100%</u>   | <u>1,237,500,000</u>   | <u>100%</u>   | <u>3,712,500,000</u>  | <u>100%</u>   |

*Notes:*

- 696,250,000 Shares are owned by New Everich Holdings Limited which is owned by Mr. Li Kin Shing and Ms. Kwok King Wa as to 54% and 46% respectively. Mr. Li Kin Shing is deemed interested in 100% of the 696,250,000 Shares. Ms. Kwok King Wa is the spouse of Mr. Li Kin Shing and is deemed interested in the 696,250,000 Shares under the SFO.
- 33,750,000 Shares are owned by Mr. Li Kin Shing in person. Ms. Kwok King Wa is the spouse of Mr. Li Kin Shing and is deemed interested in the 33,750,000 Shares under the SFO.
- The shareholding and the percentages are for illustrative purpose only since there are limitations on the exercise of the Subscription Rights attaching to the Warrants under the Instrument to prevent the holder(s) of the Warrants from being obliged to make a general offer under the Takeovers Code. For details, please refer to the section headed “Principal Terms of the Warrants — Limitations on the exercise of the Subscription Rights attaching to the Warrants”.

China Galaxy International Securities (Hong Kong) Co., Limited, an approved merchant bank, has reviewed and confirmed in writing that the current adjustment mechanism applied by the Directors pursuant to paragraph (C) are in accordance with the terms and conditions of the Instrument. In view that the exact number of the Bonus Shares will not be determined until the Record Date, the Company will make further announcement for the adjustments to the subscription price and the number of the Warrant Shares and notify the respective holders of the Warrants regarding the adjustments to be made pursuant to the respective terms and conditions applicable to the Warrants.

Holders of the Warrants must lodge the subscription form together with a remittance in cash for the amount of the subscription price for respective Shares no later than 4:30 p.m. on Wednesday, 3 June 2015 in order to participate in the Bonus Issue. If the holders of the Warrants choose not to participate in the Bonus Issue, the Bonus Issue may lead to adjustment to the subscription price and/or the number of the Warrant Shares which may fall to be issued upon the exercise of Subscription Rights of the Warrants.

Save for the Warrants, the Company had no other outstanding options, warrants or convertible securities to subscribe for any securities of the Company as at the date of this announcement.

## **APPLICATION FOR LISTING**

The Company will apply to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Warrant Shares which may fall to be issued and allotted upon exercise of the Subscription Rights attaching to the Warrants. No Warrants are listed on the Stock Exchange and no listing of Warrant Shares will be sought on any other stock exchanges. No part of the securities of the Company is listed or dealt in, nor its listing or permission to deal in the securities of the Company is being or proposed to be sought, on any other stock exchange.

Subject to the granting of the approval for the listing of, and permission to deal in, the Warrant Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the the Warrant Shares will be accepted as eligible securities for deposit, clearance and settlement in CCASS established and operated by HKSCC with effect from the commencement date of dealings in the Shares on the Stock Exchange or such other date as determined by HKSCC. Dealings in the Shares may be settled through CCASS. Shareholders should seek the advice of their licensed securities dealers or other professional advisers for details of these settlement arrangements and how such arrangements will affect their rights and

interests. The Warrant Shares will not be listed or traded on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is being or proposed to be sought. Dealings in the Warrant Shares will be subject to the payment of stamp duty in Hong Kong.

## REVISED EXPECTED TIMETABLE

The Company hereby sets out a revised expected timetable for the Bonus Issue as below. This revised expected timetable is indicative only and any consequential changes to the revised expected timetable will be published or notified to the Shareholders by way of announcement(s) as and when appropriate.

Set out below is the expected timetable of the Bonus Issue:

|   | <b>Date (2015)</b>  |
|---|---|
| Despatch of circular and notice of the EGM .....  | On or before Monday,<br>18 May                              |
| Latest time for lodging transfer of shares for<br>registration in order to be entitled to attend EGM .....  | 4:30 p.m.<br>on Friday, 29 May                              |
| Latest time to return form of proxy for the EGM.....  | 11:00 a.m. on<br>Monday, 1 June                             |
| Closure of Register of Members .....  | Monday, 1 June — Wednesday,<br>3 June (both days inclusive) |
| Latest time for holders of Warrants to lodge the<br>subscription form together with a remittance<br>in cash for the amount of the exercise price<br>for the respective Shares in order to<br>participate in the Bonus Issue ..... | 4:30 p.m. on Wednesday, 3 June                              |
| Time and date of EGM .....  | 11:00 a.m. on Wednesday, 3 June                             |
| Publish of poll results announcement of EGM.....  | Wednesday, 3 June   |
| Last day of dealings in Shares cum-entitlements<br>to the Bonus Shares .....  | Thursday, 4 June  |

First day of dealings in Shares ex-entitlements  
to the Bonus Shares ..... Friday, 5 June

Latest time for lodging transfers of Shares  
for registration in order to qualify for  
the Bonus Issue ..... 4:30 p.m. on Monday, 8 June

Closure of Register of Members ..... Tuesday, 9 June — Wednesday,  
10 June (both days inclusive)

Record Date for determination of entitlement  
to the Bonus Shares..... Wednesday, 10 June

Register of Members re-opens ..... Thursday, 11 June

Certificates for the Bonus Shares expected to  
be despatched on or before ..... On or before Tuesday, 23 June

Dealing in Bonus Share commence ..... 9:00 a.m. on Wednesday, 24 June

*Note:* All times refer to Hong Kong local time in this announcement.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

|                         |  |
|-------------------------|--|
| “ <b>associate(s)</b> ” | having the meaning ascribed thereto in the GEM Listing Rules   |
| “ <b>Board</b> ”        | the board of Directors   |
| “ <b>Bonus Issue</b> ”  | the proposed allotment and issue of Bonus Shares on the basis of two Bonus Shares for every one existing Share held by the Qualifying Shareholders                             |
| “ <b>Bonus Shares</b> ” | the new Shares to be issued under the Bonus Issue  |
| “ <b>business day</b> ” | a day (excluding Saturday, Sunday and public or statutory holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours |

|                                  |  |
|----------------------------------|--|
| <b>“CCASS”</b>                   | Central Clearing and Settlement System established and operated by HKSCC   |
| <b>“Company”</b>                 | Directel Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on GEM   |
| <b>“Director(s)”</b>             | director(s) of the Company   |
| <b>“EGM”</b>                     | the extraordinary general meeting of the Company to be convened and held to approve, inter alia, the Bonus Issue and the increase in authorised share capital of the Company                                   |
| <b>“Excepted Shareholders”</b>   | Overseas Shareholders who are excluded from the Bonus Issue and as defined and more particularly described in the section headed “Overseas Shareholders” in the announcement of the Company dated 1 April 2015 |
| <b>“GEM”</b>                     | The Growth Enterprise Market of the Stock Exchange   |
| <b>“GEM Listing Rules”</b>       | the Rules Governing the Listing of Securities on GEM   |
| <b>“General Mandate”</b>         | the general mandate granted to the Directors by the Shareholders at the annual general meeting of the Company convened and held on 10 May 2013   |
| <b>“Group”</b>                   | the Company and its subsidiaries   |
| <b>“HKSCC”</b>                   | Hong Kong Securities Clearing Company Limited  |
| <b>“Hong Kong”</b>               | Hong Kong Special Administrative Region of the PRC   |
| <b>“Instrument”</b>              | the warrant instrument executed by the Company on 29 May 2014 by way of a deed poll containing terms of the Warrants, including the adjustment mechanisms of the initial subscription price for Warrant Shares |
| <b>“Listing Committee”</b>       | the listing committee of the Stock Exchange  |
| <b>“Qualifying Shareholders”</b> | holders of Shares, not being Excepted Shareholders, who are entitled to the Bonus Issue  |
| <b>“Record Date”</b>             | Wednesday, 10 June 2015, being the record date for determination of entitlements to the Bonus Issue  |



|                                 |  |
|---------------------------------|--|
| <b>“Registrar”</b>              | Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong   |
| <b>“Share(s)”</b>               | ordinary issued share(s) of HK\$0.01 each in the share capital of the Company  |
| <b>“Shareholder(s)”</b>         | holder(s) of the Shares  |
| <b>“Stock Exchange”</b>         | The Stock Exchange of Hong Kong Limited  |
| <b>“Subscriber”</b>             | JD Edward Asset Management Company Limited, a company incorporated in the British Virgin Islands with limited liability, the principal business of which is investment holding   |
| <b>“Subscription”</b>           | the subscription of the Warrants   |
| <b>“Subscription Agreement”</b> | the agreement dated 30 April 2014 and entered into between the Company and the Subscriber in relation to the subscription of the Warrants  |
| <b>“Subscription Price”</b>     | the initial exercise price of HK\$0.1648 per Warrant Share (subject to adjustment) at which the holder(s) of Warrants may subscribe for the Warrant Shares   |
| <b>“Subscription Rights”</b>    | the rights of the holder of the Warrants which may be exercised in whole or in part (but not in respect of a fraction of a Share) within the subscription period to subscribe for fully paid Shares at HK\$0.1648 per Share, subject to adjustment   |
| <b>“Warrants”</b>               | 200,000,000 unlisted warrants issued by the Company at HK\$0.01, each entitles the holder thereof to subscribe for one Warrant Share at a subscription price of HK\$0.1648 per Warrant Share (subject to adjustment) at any time during a period of 60 months commencing from 29 May 2014, being the date of issue of the Warrants |

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| “Warrant Shares” | up to initially 200,000,000 new Shares (subject to adjustment) to be allotted and issued upon exercise of the Subscription Rights attaching to the unlisted Warrants |
| “HK\$”           | Hong Kong dollars, the lawful currency of Hong Kong  |
| “%”              | per cent.  |

By Order of the Board  
**Directel Holdings Limited**  
**Pang Kwok Chau**  
*Executive Director*

Hong Kong, 15 May 2015

*As at the date of this announcement, the executive directors are Mr. Pang Kwok Chau and Mr. Li Wang, the non-executive directors are Mr. Li Kin Shing and Mr. Wong Kin Wa, the independent non-executive directors are Mr. Chen Xue Dao, Mr. Chu, Howard Ho Hwa and Ms. Lee Man Yee, Maggie.*

*This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its posting. This announcement will also be posted on the website of the Company at [www.directel.hk](http://www.directel.hk).*